

PROGRAM DETAIL-GULF OF MEXICO

This will compensate commercial fishermen whose fishing gear is lost or damaged because of contact with uncharted seabed obstructions unassociated with the offshore energy or other responsible parties. Hurricanes have caused some of this seabed debris, although the specific nature and cause of most obstructions cannot be determined. Only fishing gear lost or damaged will be eligible. Loss of or damage to fishing vessels will not.

The typical casualty occurs when fishing nets being towed across the bottom of the Gulf of Mexico hang on obstructions (invisible to fishing vessel operators) that have come to rest there. Severe net damage can result. Sometimes, a fishing vessel's entire complement of fishing gear can be destroyed or lost. Often, affected fishing vessels have to return to port to repair or replace their fishing gear. In addition to repair or replacement costs, this can involve considerable lost income while fishing vessels are unable to fish, plus the cost of otherwise unnecessary trips to and from port and ice or otherwise perishable supplies.

We will most likely compensate affected fishermen for (a) 100% of the cost of repairing or replacing their fishing gear and (b) 50% of gross income lost during the time reasonably required to do so.

\$15 million dollars will be available for this purpose. This amount should be sufficient to fund claims for somewhere between 2 and 5 years.

Although many details are yet undecided, we intend generally to model this compensation program on a similar one that already exists for seabed obstructions

caused by the offshore energy industry. The latter program is about 15 years old, is funded by the offshore energy industry, and has paid an average of 110 claims a year for an average of about \$6,000 each.

The prospective claims compensation program should produce considerably more claims than the energy one. The former compensates only for eligible casualties occurring on the Outer Continental Shelf. The latter would compensate for both inshore and offshore casualties. Additionally, debris is likely to be greater closer to shore than further offshore.

We will require claims to be submitted no later than 90 days after the involved casualties occur. We will provide claims application forms. Claims applications will generally require at least the following:

- (1) Casualty date,
- (2) Casualty location,
- (3) Vessel captain's affidavit describing casualty (what happened),
- (4) Corroborating affidavit from each vessel crew member,
- (5) Pictures (if available),
- (6) Description or picture of obstruction (if known),
- (7) Weather and sea conditions at time of casualty,
- (8) Purchase receipts for lost or damaged fishing gear,
- (9) Two repair/replacement cost estimates (or one estimate and one paid invoice),
- (10) Trip tickets for the last three fishing trips before the casualty trip.
- (11) Date and time casualty caused fishing to stop.
- (12) Date and time repair/replacement allowed fishing to resume.

(13) Why the applicant believes the casualty was not caused by materials associated with the offshore energy industry or other responsible parties.

We will attempt to have this new compensation program available to accept claims applications on or about 1/1/96.

The \$15 million includes \$300,000 in administrative costs and four additional FTE's for program administration.